

TAB

Fiscal Processing Branch

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a. Memo - Recommendation to Limit Voucher Processing Procedures by FPB Clerks.	

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Fiscal Processing Branch

1. The present T/O strength is 11:

1 - Chief, FPB - GS 8
1 - Assistant - GS 7
1 - Clerk - GS 6
4 - Clerks - GS 5
4 - Clerks - GS 4

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2. FUNCTIONS AND RESPONSIBILITIES

- a. The Fiscal Processing Branch is the original point of entry for all material coming into the Fiscal Division, such as, Purchase Orders, Letter Orders, Invoices, Receiving Reports, Correspondence, Checks, Regulations, Notices, or any other documents or material pertinent to the Fiscal Division.**
- b. Internally the Fiscal Processing Branch perform the following functions:**
- (1) Via the Mail Desk, incoming material and documents are distributed to the appropriate operating unit. Conversely, all outgoing material and documents funnel through the Fiscal Processing Branch for distribution.**
 - (2) Four functional desks assemble all supporting documents necessary to process vouchers for payment. This involves taking the necessary steps (through telephone calls and correspondence) to secure missing:**
 - (a) Purchase or Letter Orders**
 - (b) Invoices**
 - (c) Receiving Reports**
 - (d) Certifications**
 - (3) FPB are responsible for the following Fiscal Division files:**
 - (a) Correspondence**
 - (b) Liquidated Travel Orders**
 - (c) Purchase and Letter Order Files**

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- (d) Account Current
- (e) Miscellaneous Obligations
- (f) Job Orders
- (g) IBM Listings
- (h) Paid Schedules (duplicate copy)
- (i) Paid Vouchers and Supporting Documents
- (j) Hold files of Supporting Documents while Schedules are in transit for payment by Disbursing Office.
- (k) Printing, Binding, and Reproduction Requisitions
- (l) Bills of Lading
- (m) Bond Schedules
- (n) Original (paid) Vouchered Payrolls
- (o) Form 1044 (Schedule of Collections)
- (p) Form 1098 (Cancelled Checks)
- (q) Form 1097 (Adjustment Vouchers)
- (r) Form 1159 (Collection of Available, Special and Trust Fund Receipts)
- (s) Direct Settlements
- (t) Death Settlements
- (u) Contracts
 - (1) Classified
 - (2) Unclassified
 - (3) Fixed Price
 - (4) Cost Plus
- (v) Kardex Voucher Control File (Index of Vendor payments and record of obligation and liquidation).

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A high percentage of the above listed files are divided into two parts - liquidated and unliquidated.

- (4) FPD maintain a voucher number control register and assign to each invoice an Agency Voucher Number.
- (5) They also maintain a schedule number control register and assign a Schedule Number to each schedule forwarded for payment.
- (6) Prepare the 1166 (Voucher and Schedule of Payments) for all invoices sent to the Disbursing Office for payment.
- (7) Prepare Voucher Abstracts, Mailing Slips, 1050's, 1034's (when needed), and Postage Slips.
- (8) Provide administrative aid to GAO Sight Auditors.
- (9) FPD monitor the flow and control of schedules and vouchers between the Disbursing Office, Accounts Branch, Payroll Branch, Finance Division and for final filing.
- (10) Prepare all Fiscal Division requisitions for material and equipment other than that carried in general supply.
- (11) Log in and out all classified material and disbursement checks. In addition, each piece of mail is date and time stamped.
- (12) All classified or special checks are verified for correctness by FPD before forwarding to the proper destination.
- (13) Prepare a "Memorandum Receipt" (form 36-66) in triplicate when forwarding schedules for payment.
- (14) FPD are responsible for the retirement of Fiscal Division records.

3. DISCUSSION

a. There are three problem areas within the Fiscal Processing Branch:

- (1) Turnover of personnel thus creating a continuous situation of operational inexperience.
- (2) Over emphasis of checking operations necessary in the assembly of vouchers and supporting documents prior to audit by Claims.
- (3) Lack of completeness and condition of supporting documents to vouchers being processed.

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b. Taking these points up in turn the following comments are made:

- (1) Turnover of Personnel. During the period of this survey the turnover of personnel has been higher within the Fiscal Processing Branch than in other Branches of the Division. Such a situation always means a limited degree of "know how" on hand and lends itself to inefficiency and slowness of operation. A determined effort should be made to curtail this migration of personnel.
- (2) Limiting Voucher Processing Procedures. Under the date of 8 March 1955 (See Tab "B-2") a recommendation was made to the Chief, Fiscal Division in reference to limiting voucher processing procedures by FFB clerks. This recommendation has been carried out only in part. The processing habits of each clerk should be rechecked to assure full compliance with the procedure outlined.
- (3) Difficulties Experienced in Processing Vouchers. A great deal of difficulty is experienced in the performance of voucher processing. Long delays and considerable effort is expended before a complete set of documents needed to process a voucher through for payment can be assembled or proper certifications secured. The reasons for this are many and varied. The greatest difficulty, of course, is the delay in securing receiving documents or proper certifications of receipt. Frequently, there is the need for a particular purchase or letter order that is currently in the processing will attached to another voucher that was drawn against the same purchase or letter order. Also, in cases involving the 139 Accounts (Finance Division), waiting delays of three or four weeks have been experienced. In a few cases documents have been lost. However, steps have now been taken to eliminate this particular delay in the future. The purchase authority in all cases will now be released at the conclusion of the voucher audit by the Claims Branch.
- (h) Benefits Accruing to FFB Through Voucher and Other Procedure Changes. Basically, there has been little change in the routine functional operation of the Fiscal Processing Branch. However, many steps have been streamlined:
 - (a) Two copies of the voucher schedules have been eliminated.
 - (b) Duplicate copies of contracts, vouchers, and supporting papers are no longer retained. Only original documents are now processed and maintained. This has saved one complete set of files and cut down the total quantity of documents to be handled.
 - (c) GAO site auditors and Fiscal Division now work from the same original voucher and contract files.

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- (d) The practice of returning to the vendor partial billing on "open market" purchases with instructions to render a single invoice on completion of the order has been stopped. Payments are now made on all "open market" partial billing invoices on hand the 15th of each month. This step does away with needless correspondence and telephone calls from irritated vendors seeking prompt payment for material already shipped.
- (e) The process of Agency Voucher Number assignment has been speeded up by the elimination of all entries to the voucher number control register except the assignment of a Voucher Number necessary for control purposes.
- (f) The delay in processing of property receiving documents has been shortened by having the Logistics Division initially route the Fiscal copy direct to the Fiscal Division and not through the Finance Division.
- (g) Form letters are used more extensively thus cutting down the time needed for composing and typing special letters.
- (h) Only pertinent Agency Notices and Regulations are now maintained within the Branch. This saves housing space and time of keeping a complete regulations file up to date.

4. CONCLUSIONS:

- a. Turnover in personnel has been heavy within FFB and is a strong deterrent to operational efficiency.
- b. In the assembling of supporting documents for vouchers being prepared for payment, the FFB clerks are performing needless functions that encroach on the responsibilities of the Claims Branch (See Tab "Ea").
- c. There is a laxness of control over the central files maintained by FFB. The result is a loss of manpower due to unnecessary search for misplaced or unrecorded borrowed documents.
- d. The greatest loss of man hours for FFB is beyond their immediate control. It will clear up only in proportion to the success in having vouchers and supporting documents reach the Fiscal Division promptly, complete and in good order and ready for payment without endless periods of follow-up to secure missing documents, certifications or other data needed before forwarding to the Claims Branch for audit prior to payment.
- e. Although this Branch has recently been reduced by one (1) position, the Branch is still over-staffed by at least one (1) clerk for the following reasons:
 - (1) Continuous operation over a long period of time with a variance in personnel aboard ranging from seven (7) to ten (10) and all too

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frequently 20 or 25 percent of this personnel would be inexperienced.

- (2) Man hour savings through the elimination of duplicate records to handle.
- (3) Vouchers and supporting documents are starting to come in in better condition and more complete.
- (4) The re-arrangement of area space has gained operating time.
- (5) The bulk of old Divisional records have been retired, therefore, less time is now spent on this problem.

5. ACTIONS RECOMMENDED:

- a. It is recommended that every effort be made to cut personnel turnover within this Branch thus creating a higher degree of operating efficiency.
- b. It is recommended that a tighter control be established over the "central files" maintained by the Fiscal Processing Division. Except under exceptional circumstances, personnel other than FPD should not be allowed personal access to the files. A contact point for outgoing and incoming documents should be established.
- c. A clear cut operating directive should be written for guidance to the clerks assigned to the "net, discount, 1000, and GSA desks", limiting these functions to the assembly of documents and certifications needed to support vouchers submitted for payment. Care should be taken to assure that there is no encroachment on the functions of the Claims Branch (See recommendation in attachment "E-c").
- d. It is recommended that the FPD T/O be reduced from ~~12~~¹¹ to 10 positions.